

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
NORTHERN DIVISION**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

AIC, INC. et al.,

Defendants,

and

**ALLIED BEACON PARTNERS, INC. (f/k/a
Waterford Investor Services, Inc.) et al.,**

Relief Defendants.

No. 3:11-cv-00176

PROPOSED DISCOVERY PLAN

Plaintiff Securities and Exchange Commission (the “Commission”) and defendants AIC, Inc. (“AIC”), Community Bankers Securities, LLC (“CB Securities”), Nicholas D. Skaltsounis (“Skaltsounis”), John B. Guyette (“Guyette”), and John R. Graves (“Graves”) and relief defendants Allied Beacon Partners, Inc. (f/k/a Waterford Investor Services, Inc.) (“Allied Beacon” or “Waterford”), Advent Securities, Inc. (“Advent”), and CBS Advisors, LLC (“CBS Advisors”), by and through their respective undersigned counsel (or, in the case of defendants Guyette and Graves, as unrepresented parties), hereby submit, pursuant to Federal Rule of Civil Procedure 26(f) and the Court’s scheduling order of December 21, 2011, this proposed discovery plan.

1. Attendance at the Rule 26(f) Conference. Pursuant to Federal Rule of Civil Procedure 26(f) and the Court’s scheduling order of December 21, 2011, the parties held a

discovery planning meeting on January 5, 2012, beginning at 10:00 a.m. eastern time. The parties' meeting was conducted by telephone, and the following attorneys and unrepresented parties were present:

For plaintiff Commission: Michael J. Rinaldi, Esquire, and Jennifer L. Crawford, Esquire.

For defendants AIC, CB Securities, and Skaltsounis and relief defendants Allied Beacon, Advent, and CBS Advisors: Steven S. Biss, Esquire.

For defendant Guyette: John B. Guyette, pro se.

For defendant Graves: John R. Graves, pro se.

2. Initial Disclosures. Initial disclosures had not been made as of the time of the parties' Rule 26(f) conference, and the parties agreed that initial disclosures under Rule 26(a) were to be made by January 27, 2012.

3. Subjects of Discovery. Discovery may be needed on the Commission's claims, on any defenses, or otherwise regarding the subject matter of this action, as provided by the Federal Rules of Civil Procedure.

4. Electronically Stored Information. Presently, the parties do not anticipate any issues regarding the disclosure or discovery of electronically stored information, but they have agreed to continue conferring about the matter as discovery proceeds.

5. Issues About Claims of Privilege or of Protection as Trial-Preparation Materials. Presently, the parties do not anticipate any issues about claims of privilege or of protection as trial-preparation materials. If, in the future, the parties desire an agreement about such matters, they may seek the entry of an appropriate order from the Court. Moreover, each party reserves the right to seek appropriate orders from the Court.

6. Limitations on Discovery. The parties agreed that discovery should proceed under the Federal Rules of Civil Procedure and the Court's local rules. Each party reserves the right to seek appropriate orders from the Court.

7. Other Orders. Presently, the parties do not seek the entry of any orders under Federal Rule of Civil Procedure 26(c) or Federal Rule of Civil Procedure 16(b) and (c).

Respectfully submitted,

Dated: January 17, 2012.

s/ Michael J. Rinaldi

G. Jeffrey Boujoukos

Michael J. Rinaldi

Scott A. Thompson

Attorneys for Plaintiff:

SECURITIES AND EXCHANGE COMMISSION

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Dated: January 17, 2012.

s/ Garrett P. Swartwood [added with permission]

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Defendants Allied Beacon Partners, Inc. (f/k/a Waterford
Investor Services, Inc.), Advent Securities, Inc., and CBS
Advisors, LLC

Dated: January 17, 2012.

s/ John B. Guyette [added with permission]

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Dated: January 17, 2012.

s/ John R. Graves [added with permission]_____

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CERTIFICATE OF SERVICE

I hereby certify, this seventeenth day of January, 2012, that I served a true and correct copy of the foregoing Proposed Discovery Plan, by the means indicated, upon the following:

Garrett P. Swartwood, Esq.
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(by the Court's electronic filing system)

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s/ Michael J. Rinaldi
Michael J. Rinaldi